

Subpart E—Consumer Credit Transactions Other Than Pawn

§ 141.45 Consumer credit applications.

Any reservation business offering credit which is not secured by pawn shall provide an application for credit to any customer requesting credit. Within thirty (30) days of the date of application, the lender shall act upon the application and notify the customer in writing of the decision with the reason therefor. A business owner who reduces the amount of credit available to a customer or terminates a credit account shall provide written notice to the customer stating the reason for the reduction or termination of such credit.

§ 141.46 Credit disclosure statements.

Upon approval of a credit application the lender shall give the applicant the following information where applicable in a written disclosure statement:

- (a) The maximum credit limit of the account.
- (b) The conditions under which a finance charge may be imposed.
- (c) The period in which payment may be made without incurring a finance charge.
- (d) The method used in determining the balance on which the finance charge is calculated.
- (e) The method used to calculate the finance charge.
- (f) The periodic rates used and the range of balances to which each rate applies.
- (g) The conditions under which additional charges may be made and the method for calculating those charges.
- (h) A description of any lien that may be acquired on a customer's property.
- (i) The minimum payment that must be made on each billing.

§ 141.47 Monthly billing statement.

On all credit accounts on which a finance charge may be imposed and for all other credit accounts when requested by the customer, a licensee shall issue a monthly billing statement to the customer stating the following information where applicable:

- (a) The unpaid balance at the start of the billing period.

- (b) The amount and date of each extension of credit and identification of each item costing more than ten dollars (\$10).

- (c) Payments made by a customer and other credits, including returns, rebates, and adjustments.

- (d) The finance charge shown in dollars and cents.

- (e) The rates used in calculating the finance charge plus the range of balances to which the finance charge was calculated.

- (f) The closing date of the billing cycle.

- (g) The unpaid balance at that time.

§ 141.48 Translation of disclosure statements.

Disclosure required by §§141.46 and 141.47 shall be made in writing regardless of the customer's ability to speak, read, or write the English language. Disclosure to non-English speaking persons shall be translated orally into the appropriate language.

§ 141.49 Usury prohibited.

No reservation business may take or receive money, goods, or other things of value for a loan or forbearance on a debt that exceeds in value the principal plus twenty-four percent (24 percent) per annum finance charge. Any reservation business contracting for, reserving, or receiving directly or indirectly, any greater amount shall forfeit the finance charge.

Subpart F—Enforcement Powers, Procedures and Remedies

§ 141.50 Penalty and forfeiture of merchandise.

Any person other than an enrolled member of the tribe who either resides as a reservation business owner within the exterior boundaries of the Navajo, Hopi, or Zuni Reservations or introduces or attempts to introduce goods or to trade therein without a license shall forfeit all merchandise offered for sale to the Indians or found in the person's possession and is liable to a penalty of five hundred dollars (\$500). This section may be enforced by commencing an action in the appropriate United States District Court under the provisions of 28 U.S.C. 1345.